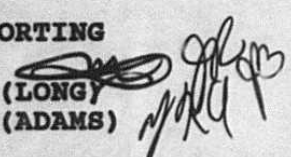
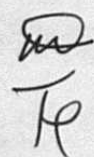


FLORIDA PUBLIC SERVICE COMMISSION
FLETCHER BUILDING
101 EAST GAINES STREET
TALLAHASSEE, FLORIDA 32399-0850

M E M O R A N D U M

May 9, 1991

TO : DIRECTOR OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS (LONG) 
DIVISION OF LEGAL SERVICES (ADAMS) 

RE : DOCKET NO. 910542-TL - PROPOSED TARIFF FILING REVISING
THE RATES AND STRUCTURE FOR SELECTIVE CLASS OF CALL
SCREENING BY SOUTHERN BELL TELEPHONE AND TELEGRAPH
COMPANY (T-91-059 FILED 2/15/91)

AGENDA: MAY 21, 1991 - CONTROVERSIAL - PARTIES MAY PARTICIPATE

CRITICAL DATES: TARIFF SUSPENSION DEADLINE - 4/16/91
COMPANY WAIVED 60 DAY RULE

DISCUSSION OF ISSUES

ISSUE 1: Should the proposed tariff filing revising the rates and structure for Selective Class of Call Screening by Southern Bell Telephone and Telegraph Company be approved?

RECOMMENDATION: Yes, the proposed tariff filing revising the rates and structure for Selective Class of Call Screening by Southern Bell Telephone and Telegraph Company should be approved.

STAFF ANALYSIS: Southern Bell Telephone and Telegraph Company (Southern Bell or Company) filed revisions to its General Subscriber Service Tariff on February 15, 1991 (Attachment A). The purpose of the filing was to propose changes to the Company's Selective Class of Call Screening service. This proposal came as a result of a request by the Commission staff.

Selective Class of Call Screening (SCCS) is a service that allows a customer to screen and block all 1+ and 10XXX-1+ calls from being originated from his/her access line. This prevents the end user from dialing a long distance call directly with the bill going to the originating number. SCCS will also screen calls so that only operator assisted (0+ and 10XXX-0+) and credit card calls charged to another account or number will be passed;

DOCUMENT NUMBER-DATE

04550 MAY-9 1991

FPSC-RECORDS/REPORTING

Docket No. 910542-TL
 May 9, 1991

again preventing the end user from charging calls to the originating number. This allows customers such as hotels, hospitals, etc. to prevent unauthorized toll traffic over on-premises station lines, yet allows customers on those lines to make long distance calls if they charge them to a credit card, etc. This differs from another Southern Bell offering, Customized Code Restrictions, which has the capability to block 0+ and 1+ calls together, but does not allow 1+ calls to be blocked while 0+ calls are completed.

Presently, SCCS is offered by Southern Bell only to business and involves a very high nonrecurring charge (\$375.25), a \$3.30 monthly charge, and an early termination charge of \$350.00. Southern Bell is proposing to restructure the service to allow residential and small business customers to subscribe to it.

SCCS is similar to services currently offered under the name "Restricted Sent-Paid Service" by both Centel and GTE. A comparison of Southern Bell's proposed rates and the other companies' existing rates is as follows:

Intercompany Rate Comparison						
Feature	Southern Bell		Centel		GTE	
	NRC	rec.	NRC	rec.	NRC	rec.
Selective Class of Call Screening	\$9.00r \$12.50b	\$1.50 ¹	\$10.00	\$1.50	\$14.95	\$2.50

¹ PBX trunks and ESSX network access registers (NARs) will be charged \$3.30/trunk/month under Southern Bell's proposal

Southern Bell used a direct, forward looking incremental cost study for this service (see pages XX). The costs calculated by the Company amounted to \$0.09/line/month for residential and business access lines and \$0.90/trunk/month for PBX trunks and ESSX NARs. The costs were developed using much of the same information derived from 976 and 900 blocking services, as the functions performed are quite similar (1+976 and 1+900 blocking are also included in SCCS). The Company did not perform a demand study for this service, but has indicated to staff that several inquiries have been made on its availability.

Docket No. 910542-TL
May 9, 1991

This study supported the proposed rates, which in turn created a large discrepancy between the present and proposed nonrecurring (\$375.25 vs. \$9.00/\$12.50) and early termination (\$350.00 vs.\$0) charges. SCCS has been tariffed for several years (well before divestiture) and the costs developed for the original service incorporated nondigital switch technology and a higher degree of operator involvement. Technology advances in recent years have enabled this service to become almost totally software-driven and have significantly reduced its costs.

Staff believes the cost method used in this filing appears appropriate. Incremental costs are generally accepted for discretionary services such as this and the estimated contribution levels should be able to withstand a wide fluctuation in actual demand.

Staff believes this filing is appropriate. The rate charged to existing customers (currently only PBX and ESSX customers) will not change and the reduction in the nonrecurring charges will enable customers such as timeshare or condominium owners to lease out their premises without fear of large telephone bills and without restricting the end user/occupant from charging calls to another account, as is done with Customized Code restrictions. For these reasons, staff believes the Commission should approve Southern Bell's tariff proposal as filed.

Docket No. 910542-TL
May 9, 1991

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if Issue 1 is approved this tariff should become effective on May 27, 1991. If a timely protest is filed this tariff shall remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed.

STAFF ANALYSIS: If no protest is filed, this docket should be closed at the end of the protest period.

A. M. Lombardo
Assistant Vice President-Regulatory Relations

Suite 400
150 S. Monroe Street
Tallahassee, FL 32301
904 224-7798

February 15, 1991

Mr. Walter D'Haeseleer
Director, Division of Communications
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

FEB 15 1991

Dear Mr. D'Haeseleer:

Pursuant to Florida Statute 364.05, we are filing herewith revisions to our General Subscriber Service Tariff. Following are the affected pages.

General Subscriber Service Tariff

Section A13 - Second Revised Page 22
First Revised Page 22.1
First Revised Page 23

The purpose of this filing is to revise the rates and tariff pages associated with Selective Class of Call Screening.

The following attachments provide additional supporting and explanatory information for the proposed tariff revisions. These attachments constitute a comprehensive package which fulfills the basic requirements for supporting data specified in Rule 25-9.05.

- Attachment A - Executive Summary
- Attachment B - Customer Effect
- Attachment C - Revenue Information
- Attachment D - Cost Information

Acknowledgment, date of receipt, and authority number of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

John J. ...

Your consideration and approval will be appreciated.

Yours very truly,

A. M. Lombardo 47

Assistant Vice President -
Regulatory Relations

Executive SummaryIntroduction

The purpose of this filing is to comply with the Commission's request for a "Transient restriction from DDD." This request prompted the review of the Selective Class of Call Screening Service rate and tariff structure as a possible way to meet this specific need. Certain barriers exist in the present tariff that prohibit the subscription by Residence and Business customers who have a specific need to block 1+ and 10XXX 1+ calls from origination.

As a result of a new cost study and revisions to the rate and tariff structure this service can now meet the needs of a larger segment of customers who have specific needs for blocking and screening originating calls.

Description of the Present Tariff

Selective Class of Call Screening is provided in addition to the customer's regular subscribed to service. It consists of a very high nonrecurring charge, monthly recurring rate and basic termination charge for early disconnect under contract. This service was primarily designed for business customers such as hotels, motels and hospitals.

Description of Proposed Tariff

The revised tariff provides blocking and screening service for residence and business lines as well as PBX trunks and ESSX NARs. The new tariff eliminates the \$375.25 nonrecurring charge and the basic termination charge. The revision introduces a new recurring rate of \$1.50 for residence and business lines. The PBX customers will continue to pay \$3.30 per trunk and ESSX^R customers will now be allowed to subscribe to the service at \$3.30 per ESSX NAR.

Technical Information

Selective Class of Call Screening is furnished in connection with local residence and business line service, PBX trunk service, Centrex and ESSX-1 main station line or ESSX^R Service NAR. This service enables a customer to secure central office blocking of all 1+ dialed calls including, but not limited to, 10XXX 1+, 900, 976, 1+555 and 011+ and screening information to prevent operator assisted calls from being billed to the subscriber's line.

Market Information

This tariff revision will offer blocking and screening service to a larger customer base.

Service Cost Information

Resource costs are the direct, forward-looking incremental costs (recurring and nonrecurring) associated with the provision of a particular feature. They include the direct costs of the material and labor, the capital costs, and directly assemble overhead costs.

A 13.52% cost of money was used in this study.

Revenue Information

Southern Bell's estimated new demand for this revision has not been quantified, therefore, revenue estimates are not available at this time.

Conclusion

Approval of this tariff will permit Southern Bell to further provide for the needs of its basic exchange customers.

Customer Effects

This tariff revision removes some restrictive barriers that will open up this service to a larger subscriber base. In addition to those customers that now subscribe to this service, a new group of residence and business customers who need blocking and screening will be able to subscribe to this service. Existing customers to Selective Class of Call Screening will not be affected by a rate increase and the non-recurring charge, as well as the basic termination rate, have been eliminated.

Revenue Effect

The proposed revisions introduce a new rate of \$1.50 for residence and business customers. The existing rate of \$3.30 will continue to apply to PBX trunks and will also apply to ESSX^R NARs. Since the rate for existing trunk customers will not change, there is no revenue increase or loss associated with this change. The demand for Business, Residence and ESSX^R subscribers has not been forecasted and therefore the revenue associated with this addition has not been quantified.

INTRODUCTION AND OVERVIEW

PAGE 1 OF 2

RECURRING COST METHODOLOGY

The foundation of the recurring cost portion of the study is SCIS, Switching Cost Information System (version 4.7; 1989 Busy Season), a family of computer models developed by Bellcore. This is a two phase process: the generation of a "model" central office for each state and the use of the model office outputs to determine the incremental investments for various vertical services and features.

The Model Office module of SCIS develops a mathematical representation of a central office consisting of separate cost primitives related to the actual function of the switch, e.g., termination costs, getting started costs, cost per CCS, and trunk costs. Inputs into the program are obtained from Network and include such items as number of lines, busy hour calls, number of trunks, percent utilization; the same data utilized by engineers to design a central office. SCIS, in fact, does engineer the office based on these design parameters. The individual offices are merged into one to produce the jurisdiction's model office. The Feature module uses the Model Office data along with feature specific inputs supplied by NCCIC and Marketing to develop the incremental investment for the features.

Bellcore provided an algorithm for the DMS100 using Model Office outputs to calculate this feature.

The two processor types in the DMS - NTX40 and ECORE - were melded based on the percent of lines for the two office types. For the 5ESS the investment is the direct output from SCIS.

The total unit investment, including loadings for Telco labor, materials, land, buildings, etc., is calculated by the Resource Cost Analysis Program (RCAP), a computer model developed by BSS Cost Methods. The investment loading factors used in the RCAP program are also furnished by the Cost Methods group. (The factors used in this study are dated 11/90).

The annual cost factors generated by the Cost Methods group are based on a 13.52% cost of money.

The meld percentages of the two switch types - DMS100 and 5ESS are based on the Access Lines in service from the D & F Database.

Since we have no demand at this time, this is a one year study.

T-91-059

PAGE 2 OF 2

INTRODUCTION AND OVERVIEW

NON- RECURRING COST METHODOLOGY

Network worktime estimates that were provided by NCCIC for Blocking 900/976 were used. The work times required to activate and terminate the service were multiplied by the appropriate labor rates for that jurisdiction to determine the labor cost for each work group involved. Current directly assigned labor rates supplied by BSS Cost Methods were used.

The Gross Receipts tax factor, supplied by BSS Cost Methods, was applied to the labor cost to determine total nonrecurring labor costs. Since it is a one year study, no inflation factor was applied.

Right To Use Fees are the same as those developed for ESSX.

WORKSHEET 200
 CS910638

FLORIDA
 SELECTIVE CLASS OF CALL SCREENING
 SUMMARY SHEET

LINE		SOURCE	COSTS
1			
2			
3			
4	RECURRING	RCAP	\$0.01
5			
6	NONRECURRING CONVERTED TO RECURRING	WORKSHEET 400	\$0.08
7			
8			
9	TOTAL MONTHLY COST PER LINE	L4+L6	\$0.09
10			
11	TOTAL MONTHLY COST PER PBX TRUNK OR NAR	L9*10	\$0.90
12	(ASSUMES 10 ESSX LINES PER NAR OR 10 PBX		
13	LINES PER TRUNK)		
14			
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Tariff Revisions
Legislative Format
Not For Approval

A13. MISCELLANEOUS SERVICE ARRANGEMENTS

A13.11 Remote Call Forwarding (Cont'd)

A13.11.6 Message Charges (Cont'd)

A. (Cont'd)

2. Between the call forwarding location and the terminating station.

The Remote Call forwarding customer is responsible for the applicable *Local Usage Rate Service charges* as specified in *A13.11.6.A.3* following of this Tariff or for the applicable customer-dialed station-to-station charges specified in the *Long Distance Message Telecommunications Service or Wide Area Telecommunications Service (WATS) Tariffs*. These charges apply to all calls answered at the terminating station, including person-to-person and collect calls, even though such calls might not be accepted at the answering location.

3. Local Usage Rate Service Charges

- a. The following usage charges apply for calls within the local calling area.

(1) Calling Area

Initial Minute or Fraction Thereof	Additional Minute, Each or Fraction Thereof
\$0.06	\$0.02

- b. For local calls placed in the following listed time periods, discounted usage charges will apply as described following

- (1) 12:00 P.M. - 2:00 P.M. (50% discount)
(2) 9:00 P.M. - 9:00 A.M. (50% discount)
(3) Saturday and Sunday All Day (50% discount)

- c. No monthly usage allowance applies for RCF local measured.

A13.11.7 Service Charges

- A. Service Charges as shown in Section A4 of this Tariff apply as follows:**

- For the initial or subsequent installation of RCF features, the Service Ordering Charge for connecting new or additional central office lines shall apply.
- For the subsequent addition of additional access facilities (RCAs) to an existing RCF service, the Service Ordering Charge associated with the move or change of existing service shall apply.
- To change the number at the Call Forwarding location, the number for the terminating location or both numbers on the same order, the Service Ordering Charge associated with the move or change of existing service shall apply.

A13.12 Selective Class of Call Screening

A13.12.1 Application

- ~~A. Selective Class of Call Screening Service enables a customer, by means of Company operator identification to restrict outgoing toll calls from station users to only those calls which are charged to the called telephone's third number or a Credit Card account.~~

- A. Selective Class of Call Screening Service enables a customer to secure central office blocking of 1+, 976, 900, and screening information to prevent operator assisted calls from being billed to the subscribers line.

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA

ISSUED: December 7, 1984 FEB. 15 1991

BY: W. H. Alford, Vice President
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Tariff Revisions
Legislative Format
Not For Approval

1ST REV. PG 22-1
CLANES Original Page 22-1

EFFECTIVE: February 5, 1991
MAR 18, 1991

A13. MISCELLANEOUS SERVICE ARRANGEMENTS

A13.12 Selective Class of Call Screening (Cont'd)

A13.12.1 Application (Cont'd)

- B. All local calls and calls to Company numbers such as repair service, Directory Assistance Service and public emergency service numbers such as 911 will be permitted from the establishment. (N)
- C. This service is available to hospitals, hotels, motels and other establishments only where facilities permit. (N)
- ~~D. Selective Class of Call Screening Service is not available under the rates specified in this Tariff to customers served from a step by step office. (N)~~
- D. Rates and Charges (N)
1. The Establishment of Service Charge is applicable for the initial arrangement of a trunk or group of trunks for the service. It is not applicable for the addition of a trunk to an existing trunk group. Likewise, the Basic Termination Charge is applicable only when the entire service is discontinued. (N)
-
- D. Selective Class of Call Screening is available only from central offices which have been arranged to provide these services. The service is provided subject to the availability of facilities. (C)
-
- E. Selective Class of Call Screening is furnished in connection with local residence and business line service, PBX Trunk service, or ESSX® service NAR. (N)

Material appearing on this page previously appeared on page 22 of this section

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA
ISSUED: October 28, 1983
BY: W. H. Alford, Vice President
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF
Tariff Revisions
Legislative Format
Not For Approval

10⁴ REV. PG 23
~~CANCELS~~ Original Page 23

EFFECTIVE: January 1, 1991
MAR. 18, 1991

A13. MISCELLANEOUS SERVICE ARRANGEMENTS

A13.12 Selective Class of Call Screening (Cont'd)

~~A13.12.1 Application (Cont'd)~~
~~1. Rates and Charges (Cont'd)~~
~~1. (Cont'd)~~

Nonrecurring Charge	Monthly Rate	Basic Termination Charge	USOC
1.75	8- 1.30	1- 13.00	1A 100

(a) Establishment of Service
(b) Per toll access line equipped

A13.13 Dormitory Communications Service

A13.13.1 General

- Dormitory Communications Service (DCS) is available to accredited public and private educational institutions for residential use by students, faculty members or employees who reside in dormitories or other residential quarters owned, leased or under control of the educational institution.
- DCS is furnished from central office equipment located on Company premises and associated facilities arranged to provide the equivalent of residence individual line rotary dial local exchange service. Except for the optional provision of Touch-Tone® calling service as specified in Section 2.K. following, all DCS lines furnished to an educational institution must be of the same class of residence individual line service and a mix of different services is not permitted.
- The local calling area for DCS is the same as that specified in the local exchange service tariff of the Company for residence individual line service in the exchange in which the DCS central office equipment is located. DCS local calls, including calls between DCS lines served by the same DCS central office equipment, are subject to the same local exchange service usage charges as applicable to residence individual line service.
- DCS is offered subject to the availability of facilities and where, in the judgment of the Company, that service may be provided by the use of service arrangements, equipment and facilities in quantities and types regularly furnished by the Company.

A13.13.2 Regulations

- DCS is furnished to an educational institution upon the condition that use of the service shall not be made subject to any charge by the educational institution in excess of the charges set forth in the Tariffs of the Company.
- The educational institution is responsible for payment of all charges except those set forth in C. following which are billed by the Company directly to DCS lines.
- The Company will bill and collect DCS and paid or collect long distance messages, telegrams, cablegrams and radiograms. In addition, the Company will bill and collect local exchange service usage and Directory Assistance service charges where the serving equipment is arranged to automatically identify and bill such charges direct to DCS lines.

Note 1: Those customers presently being provided with screening service will be subject to the monthly charge only; the nonrecurring charge does not apply. All new customers will be subject to both the nonrecurring and the monthly charge for this service. Existing customers will be subject to the Basic Termination Charge dated from the effective date of this Tariff. Basic Termination Charge is reducible by 1/60 per month.

A13.12.2 Rates And Charges

The following rates and charges will apply in addition to a Service Ordering Charge-No Premises Visit.

	Monthly Rate	USOC	(N)
(a) Per Central Office Line	\$1.50	8RB	(N)
(b) Per PBX trunk or ESSX® service NAR	1.30	8RB	(N)

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